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October 20, 1994

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William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

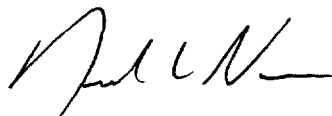
Re: Notice of Written Ex Parte Presentation
PP Docket No. 93-253

Dear Mr. Caton:

This letter is filed on behalf of the Columbus Grove Telephone Company pursuant to Section 1.1206(a)(1) of the Commission's Rules.

On this date a written ex parte communication, dated October 19, 1994, was submitted to Commissioner Susan Ness concerning the above-referenced proceeding. For inclusion in the public record, two copies of the communication are submitted to the Commission's Secretary together with this transmittal letter.

Very truly yours,

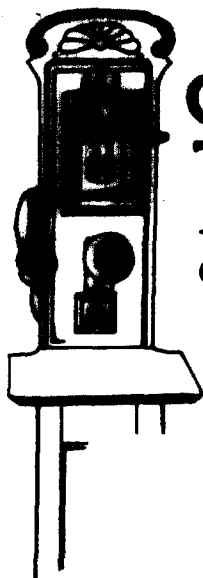


David L. Nace

cc: Commissioner Susan Ness (by hand-delivery)

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Columbus Grove Telephone Co.

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Columbus Grove, Ohio 45830

419/ 659-2111

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

October 19, 1994

Commissioner Susan Ness
Federal Communications Commission
1919 M Street, N.W. Room 832
Washington, D.C. 20554

Re: PP Docket No.93-253

Dear Commissioner Ness:

Thank you for joining us in San Diego and participating in our USTA convention. I appreciated the opportunity to meet you and briefly relate some of my concerns in being a provider for broadband Personal Communications Services (PCS).

Columbus Grove Telephone is a family-owned corporation. My sister and I are the fourth generation and together, we own 93% of the company. We serve 1550 customers within 64 square miles. Local rates are \$11.80, which includes touch tone. Our toll service is deployed via fiber facilities; we are a SS7 office and have the capability of class services, including Caller ID. We have fiber to the school (our largest customer), and are ready to deploy services, such as distance learning.

Our company is not an REA borrower. We do not receive Universal Service Funds, nor Long Term Support. We are an average schedule company and are a member of the National Exchange Carrier Association.

Our company initiated a Focus Group that includes other utilities, such as Ohio Power, West Ohio Gas and Time Warner Cable. Currently, we are working with a land developer to enhance utilities' deployment of materials and services within a 70 unit housing development.

I hope that this background will help you understand that we are a vital part of our community and its continued success and development.

As competition enters the rural environment, I believe that public policy makers must consider the provisioning of service offerings for citizens that live in the "third, fourth or even most distant miles" from the corporation. Competition may not be the answer for the overall improvements in the quality of life in our rural communities.

However, knowing that competition will probably come to all, we are trying to identify other revenue streams, investigate new technologies and find ways to provide services more economically.

We have tried to partner with the large cable corporation, who currently provides cable within our community. The "large corporation" is not interested in serving our rural customers. If any partnering would occur, the interest is only in the town area. If permitted, the competition will only service the most lucrative customers and leave the distant customers for us, the local exchange carrier. As a financier, you well understand that without averaging the town customers with the rural, the distant-rural customers will have to support the cost of their local loop - and perhaps not participate in new technologies and services.

Another area that we are investigating is broadband Personal Communications Services (PCS) -- the subject about which I briefly spoke with you in San Diego. I understand that the Commission is reconsidering rules for the bidding procedures for PCS. As a Designated Entity (DE), I have some concerns about the bidding procedures and whether we will be able to participate meaningfully in the auctions.

I truly appreciate the intent of Congress that DEs be afforded special treatment in the bidding rules so that we might have the opportunity to participate in the new technology. However, other members of USTA and I believe that the FCC's rules are inadequate in their present form to achieve the goal of furthering participation by rural companies in PCS.

I propose that several changes to the bidding rules would assist rural telephone companies in their efforts to bring PCS to our communities:

- * When license areas are partitioned, DEs should be able to qualify for DE benefits such as bidding credits and installment payment terms which are available to small businesses and companies controlled by women and/or minorities, regardless of whether the licensee(s) in the remaining area of the same market qualify for the same benefits. Perhaps this was an oversight in the analysis which led to the partitioning rules, but it is a matter which, if uncorrected, will deter rural telephone company participation.

- * Partitioning of license areas should not be permitted unless the entities to hold separate licenses are rural telephone companies. Except for partitioning, rural telephone companies are ineligible, absent other DE qualification, for any special treatment under the bidding rules. The limitation on whom a PCS licensee may select for a partitioning arrangement should be maintained, because rural telephone companies need opportunities to complement their landline service offerings to maintain a sufficient revenue flow to serve all homes and businesses in their exchange areas. If other DEs are permitted to receive licenses through partitioning, as the Commission is now considering in PP Docket No. 93-253 (FCC 94-198, released August 2, 1994), it is more likely that our rural areas will be "cherry-picked" when PCS is offered, and that we will not find it economically feasible to offer wireless services on a more wide-scale basis.

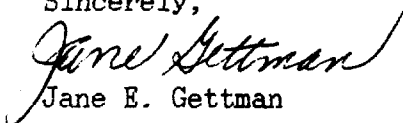
* We have contacted several large companies to determine their interest level in ventures to bid for licenses in the Entrepreneurs' Blocks. Because large companies may own no more than 49.9% of passive equity, and vote no more than 15% if the venture is organized as a corporation, the large companies have expressed little or no interest in working with a woman-controlled rural telephone company even though the involvement of a DE could produce financial benefits for the venture. Large companies should be permitted to own and vote a larger interest in the DE-controlled ventures, such as up to a 49.9% level on a fully participatory basis, not as merely passive investors.

* Bidding credits for small businesses, rural telephone companies and woman/minority controlled ventures should be raised from 25% to a total of 40% for broadband PCS DEs, comparable to the DE bidding credits available for narrowband PCS. The credits will be recoverable indirectly through the benefits of rapid service offerings by rural telephone companies in remote areas where other providers are less likely to enter the market. The beneficial effects will include increased employment opportunities and enhanced tax revenues.

I would appreciate your support for FCC rule changes which promote participation by rural telephone companies in broadband PCS.

I look forward to another opportunity (without the guitars of the Do Run Run Band) that we might visit.

Sincerely,


Jane E. Gettman